

A Path Forward



**VIRGINIA DEPARTMENT OF HOUSING  
AND COMMUNITY DEVELOPMENT**

Partners for Better Communities

# Getting Under Contract



# Overview

- Contract Negotiation Record
- Pre Contract Activities
- Pre Contract Review
- Signing

## Contract Negotiation Record

- Overview of Project from Application
- Details and Fine Tuning
- Confirm Leverage Funding
- 120 Days to Complete
- Follow Up Letter & Facilitated Management Session

<b>CONTRACT NEGOTIATION RECORD</b> 2021 Community Development Block Grant Program	
<b>LOCALITY:</b> Town of Appomattox	<b>CIG CONTRACT #</b> TBD
<b>PROJECT TYPE:</b> Construction-Ready - Water and Sewer	
<b>LOCATION:</b> Rights-of-way of Church Street, Confederate Boulevard, Red House Road, and Morris Avenue within the Town of Appomattox.	
<b>DATE OF CONTRACT NEGOTIATION:</b> June 23, 2021	
<b>SCOPE/OUTCOME:</b> Replacement of approximately 6,225 linear feet of 4" water line with 8" water line, including fire hydrants in entire project area, within the rights-of-way of Church Street, Confederate Boulevard, Red House Road, and Morris Avenue. The alignments are within existing rights-of-way and will be routed to avoid existing utilities, sidewalks, etc. as much as possible.	
<b>BENEFIT:</b>	
1,851 <b>Total Persons</b>	1,145 <b>Total LMI Persons</b>
918 <b>Total Households</b>	730 <b>Total LMI Households</b>
NATIONAL OBJECTIVE	
<input checked="" type="checkbox"/> Low – and Moderate – Income Benefit	\$650,000
<input type="checkbox"/> Slum and Blight	\$

# Pre Contract Activities

# Pre Authorization of Cost (Appendix 1)

- Not to exceed 15% of the budget
- Administrative Costs
  - Pay for Performance Project Budget
  - Project Management Plan
  - Anti Displacement
  - Section 504
- Environmental Review
- Workshop Attendance (if applicable)
- Program Design

Appendix  
**1** **REQUEST FOR PRIOR AUTHORIZATION**

(Date)

Mr. Matt Weaver  
Associate Director  
Virginia Department of Housing and Community Development  
Program Administration and Assistance Office  
600 East Main Street, Suite 300  
Richmond, Virginia 23219

Re: **Request for Prior Authorization of Costs**  
(Project Name)

Dear Mr. Weaver:

Please accept this letter as a formal request for authorization to incur administrative costs prior to the execution of our Community Development Block Grant contract agreement with the Virginia Department of Housing and Community Development. A grant offer has been made to us under the Commonwealth of Virginia's FY 20\_\_ Community Development Block Grant Program.

We anticipate incurring these costs effective (Date) but prior to execution of a contract agreement.

1 Administration

2

# Environmental Review Record/Request for Release of Funds (Appendix 2)

- Project Categories
- Consulting Agencies/Parties
- Dept. of Historic Resources
- Clearance Levels
- FONSI/NOI-RROF



## Project Budget and Pay for Performance

- Administrative vs Project Costs
- Pay for Performance Breakdown:
  - Getting Under Contract 15%
  - Successfully Awarding Contract 20-35%
  - Construction 20-35%
  - Achievement of Benefits 25%
  - Project Closeout and Admin Closeout 5%
- Cost Limits

Getting Under Contract with DHCD	15% x 75,000	\$11,250
Successfully Awarding Contracts	Negotiated 35%	\$26,250
14 Houses At 6% of \$26,250 = \$1575	\$22,050	
1 Water Line At 16% of \$26,250	\$ 4,200	
Completing Construction and Addressing Labor Standards Issues	Negotiated 20%	\$15,000
14 Houses At 6% of \$15,000 = \$900	\$12,600	
1 Water Line At 16% of \$15,000	\$ 2,400	
Achievement of Benefits	25%	\$18,750
Closeout of Project and Achieving Administrative Closeout	5%	\$ 3,750
<b>Total CDBG Administrative Budget</b>		<b>\$75,000</b>

# Federal Requirements (Appendices 4-7)

- Section 3: Business & Employment Plan & Notice
- Section 504 Requirements
  - 504 Coordinator
- Minority & Female-Owned Business Notice
- Non Discrimination Policy Adoption & Posting
  - race, color, religion, national origin, sex (including gender, gender identity, sexual orientation, and sexual harassment), pregnancy, childbirth or related medical conditions, age, marital status, familial status or disability



# Anti Displacement

- Minimize displacement and associated hardships
- One to One Replacement Rule



# Fair Housing Activities

- Educational
  - Displays
  - Booths
  - Ads
- Written
  - Brochures
  - Fact Sheets
  - First Time Homebuyer Guides
- Get Creative!
  - Fairs
  - Youth Programs
  - Counseling Hotlines & Chats



# Program Documents & Agreements (Appendices 11-19)

- Project Management Plan
- Staffing and Operations Plan
- Blight Identification and Removal or Remediation Plan
- Program Income Plan
- Housing Program Design
- Façade Renovations Program Design
- Microenterprise Program Design
- User Agreements or Industry Agreements

# Audits & Reports

- Annual Activity and Beneficiary Report
- Section 3 Summary Report
- Annual Contract and Subcontract Activity Report
- Annual Financial Audit



# Certification of Signatures

- Certified by Chief Executive
- At least two authorized to submit Remittances
- Appendix 27



# Procurement

- Grant Management Services
- Architect/Engineer
- Rehab Specialist
- Inspection Services/Other



# Confirmation of Two Public Hearings

- Notice Published 7 Days prior for both meetings
- 1<sup>st</sup> Meeting
  - Funds
  - List Range of Activities
  - Past Use of CDBG Funds
  - Minutes & Attendee List
- 2<sup>nd</sup> Meeting
  - Description of Activities
  - Displacement Concerns
  - Minutes & Attendee List
- Accessible for Non English Speakers and Handicapped



# Leverage Funds

- Locality Funds
  - Written Proof of Commitment
- Other Funding Sources
  - Federal
  - State
  - Investor Dollars



# Past Projects/Unresolved Items



# Pre Contract Review

- Pre Contract Checklist
- CAMS Documents Review
- DHCD Approval

**Pre-Contract Review**  
**TECHNICAL ASSISTANCE CHECKLIST**  
*(Must be used in conjunction with Contract Negotiation sheet)*

Date of Review: / /       Reviewer's Initials:

Grantee:       Contract #: --

Grantee Personnel (present for review):

By initialing above, I am certifying that I have reviewed all of the documentation as listed below and have found that they either comply with CDBG requirements or that I have noted any additional work required by the grantee below.

1. Visit the project area to become familiar with site; and, when applicable, to verify construction activity as part of accepted leverage.  
Comments:

2. Obtain list of current members of Town Council or Board of Supervisors and addresses.

a. Do any elected or appointed officials live or own property in the project area?  
 YES    NO  
If yes, explain:

b. Is there any conflict of interest between elected or appointed officials or Grant Managers and project area beneficiaries?  YES    NO  
If yes, explain:

c. Does the grantee understand that any work done on the property of any employee or elected or appointed official or employee (from the time the application was planned,

Signing!



# Questions?

Community Development Specialist

804-397-5768

[carlton.hassell@dhcd.virginia.gov](mailto:carlton.hassell@dhcd.virginia.gov)